

**STATEMENT OF THE INTERNATIONAL ASSOCIATION OF FISH AND
WILDLIFE AGENCIES TO THE HOUSE AGRICULTURE SUBCOMMITTEE ON
CONSERVATION, CREDIT, RURAL DEVELOPMENT AND RESEARCH
REGARDING FARM BILL CONSERVATION PROGRAMS**

Presented by

R. Max Peterson
Executive Vice-President
International Association of Fish and Wildlife Agencies

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Mr. Chairman, members of the Subcommittee, my name is R. Max Peterson. I am the Executive Vice-President of the International Association of Fish and Wildlife Agencies. The Association was founded in 1902 as a quasi-governmental organization of public agencies charged with the protection and management of North America's fish and wildlife resources. The Association's governmental members include the fish and wildlife agencies of the states, provinces, and federal governments of the U.S., Canada, and Mexico. All 50 states are members. The Association is a key organization in promoting sound resource management and strengthening federal, state, and private cooperation in protecting and managing fish and wildlife and their habitats in the public interest.

The Association appreciates this opportunity to present to the Subcommittee our perspectives on Farm Bill conservation programs. The Association believes that agricultural conservation programs established under the 1985, 1990 and 1996 Farm Bills, have been some of the most important, significant and successful fish and wildlife conservation endeavors in the last 30 years with significant, tangible on-the-ground benefits. The Farm Bill has proven to be an effective mechanism for delivering both financial benefits to landowners and public benefits in the form of affordable food, and conservation of fish, wildlife, and soil and water resources. As a result, conservation programs continue to enjoy broad bipartisan support.

As you are aware, the State fish and wildlife agencies have broad statutory authority and responsibility for the conservation of fish and wildlife resources within their borders. The states are thus legal trustees of these public resources with a responsibility to ensure their vitality and sustainability for present and future citizens of their States. State authority for fish and resident wildlife remains the comprehensive backdrop applicable in the absence of specific, overriding Federal law. The State fish and wildlife agencies thus have concurrent jurisdiction with the federal agencies for migratory birds, threatened and endangered species and anadromous fish. Because of our responsibility for and

vital interest in the conservation of fish and wildlife resources, we have significant vested concerns in agricultural conservation programs.

The conservation and sustainability of fish and wildlife resources depends on the availability and quality of their habitat, much of which is found on agricultural lands. The State fish and wildlife agencies recognize, appreciate and respect the fact that about two thirds of the land (i.e., habitat) in the United States is owned by private landowners. We also know that most private landowners want to be good stewards of their property and many embrace conservation as a prominent goal for their land management objectives. We believe that the State fish and wildlife agencies have generally enjoyed very good relationships with agricultural landowners, and the majority of those landowners are willing to work with the agencies to include fish and wildlife with their other land management objectives.

The Association believes that the key to unlocking the full potential of Farm Bill conservation programs is to focus on voluntary, incentive-based programs that provide:

1. Funding sufficient to address landowner demand for program enrollment and technical assistance;
2. Flexibility in program implementation to address regional and local differences in how program objectives can best be achieved; and
3. Income support for conservation practices on a wider array of farms, ranches and forests in all parts of the country.

Another important aspect to the success of current and future programs will be to insure that they are part of a comprehensive national agricultural policy to prevent different incentive-based programs from working at cross purposes and to address the public's expectations regarding the level of conservation benefits derived from tax dollars expended.

Commitment of State Resources to Farm Bill Conservation Programs

Before presenting the Association's views on specific conservation programs, I believe it is important to recognize the commitment that many of our State fish and wildlife agencies have already devoted toward making these programs work for wildlife and for the landowner. One way of doing this is to provide technical expertise at all levels of program planning, implementation and evaluation so that fish and wildlife needs are considered throughout the process. Another way of doing this is to provide dollars for cost share, including equipment and materials. States are making substantial contributions in both manpower and money. Current contributions to Farm Bill conservation programs recently identified by just 14 states include over 5.4 million dollars for cost share and over 300,000 hours, or the equivalent of 145 full time employees, assisting NRCS with program implementation. Just three examples from around the country include:

Oklahoma Department of Wildlife Conservation – Spent 1,115 hours last year assisting NRCS with implementation of the Wildlife Habitat Incentives Program (WHIP), the Wetland Reserve Program (WRP), the Conservation Reserve Program (CRP) and the Environmental Quality Incentive Program (EQIP). The Department also provided \$50,000 to private landowners for habitat improvements through the Department's own Wildlife Habitat Improvement Program, which is a landowner cost-share program that often supplements funding of USDA WHIP contracts.

Missouri Department of Conservation – Providing 50 biologists and \$900,000 in cost share this year to deliver fish, forest and wildlife technical assistance to private landowners in cooperation with NRCS.

California Department of Fish and Game – Since 1996, the CDFG has made direct cash contributions of \$3,677,521 to WRP restoration projects and easement acquisitions, expended \$114,080 on wetland management agreements on WRP lands, and dedicated \$90,000 toward two wetland biologist positions for technical assistance with WRP.

These examples demonstrate the continuing commitment of the States to the successful implementation of Farm Bill conservation programs, and are just a sample of how these programs leverage nonfederal funds to multiply resource and landowner benefits. Additional and significant financial and technical resources come from various NGOs, such as Ducks Unlimited, and Pheasants Forever, who are also providing testimony today as part of a strong and growing coalition of wildlife conservation partners that support Farm Bill conservation programs. The Association applauds their efforts and looks forward to continuing the constructive partnerships between the NRCS, State fish and wildlife agencies and these organizations that will make every Farm Bill conservation dollar go even farther.

Building Partnerships to Address Demand for Technical Assistance

With the introduction of new conservation programs and the elevation of wildlife to co-equal status with soil erosion and water quality as a resource to be addressed in program implementation, the challenge has been to bring all the potential resource benefits to fruition on the ground. This requires adequate technical assistance by resource professionals. It is imprudent and unrealistic to expect FSA and NRCS to deliver existing, invigorated or enlarged programs under current staffing levels. Work analysis studies within USDA have substantiated what staffing levels would be needed to fulfill program objectives. These studies should be used as a road map on the way to staff recovery. To address staffing shortages, alternatives such as reimbursement to State fish and wildlife agencies and others who have the capability and expertise to deliver technical assistance, should be considered.

As was already mentioned, State fish and wildlife agencies are contributing staff time to help NRCS field offices service fish and wildlife aspects of USDA assistance to private landowners. Such partnerships can help NRCS deliver specialized technical expertise to private landowners at less cost than adding staff with this expertise. But, this will only work if state and local partner contributions result in additive staff. The Association strongly encourages the creation of a challenge grant program in USDA that would stimulate partnering arrangements between NRCS and State fish and wildlife agencies and others that result in cost efficiencies. Such partnerships will be able to more effectively and efficiently provide the specialized technical expertise necessary to deliver conservation programs to producers as originally intended by Congress. Funding for monitoring and assessment of conservation programs, which can also be conducted through partnerships, needs to be included in allocations for these programs.

The Association believes the following existing and proposed conservation programs are complementary and can work together to address regional and local differences in conservation priorities, land values, regulatory requirements and public expectations. The Association respectfully offers the following Farm Bill conservation program recommendations:

Conservation Reserve Program (CRP)

The Association believes that no other conservation program has provided the quantity and quality of environmental benefits on agricultural lands as the popular CRP. In addition, this program has contributed to stability in the agricultural economy. We believe a CRP with an enhanced enrollment of 45 million acres can and will do more to achieve the objectives of long-term stability to the agricultural economy and long-term benefits for fish, wildlife, soil and water conservation. This program provides significant wildlife resource benefits. Bird species such as pheasants, ducks and grassland songbirds have been major beneficiaries. Pheasant populations have more than doubled in several states due to CRP. It is estimated that in one year alone (1994) three million additional ducks were produced in the Dakotas and Montana because of CRP. CRP helps address the decline in grassland bird species, which are 21 times more abundant on CRP fields and 32 times more likely to hatch than on adjacent farmland. CRP has been and can be a proactive conservation strategy for addressing the needs of declining species before they reach a point when listing under the Endangered Species Act is necessary.

The value added from CRP lands to local economies from hunting, fishing and wildlife viewing opportunities is also significant. The USDA's Economic Research Service estimates the value of CRP's improvements to wildlife viewing and pheasant hunting at \$704 million per year. In addition, the nonmarket benefits of soil erosion reductions by CRP is estimated to be \$694 million annually. Since the ERS believes these numbers understate the true value of

CRP contributions to wildlife and to reductions in soil erosion, CRP alone represents a minimum of \$1.4 billion in nonmarket benefits a year.

The Association's members want to ensure that CRP lands deliver wildlife as well as soil and water benefits throughout the contract period. With this objective in mind, we believe it would be most productive for wildlife if cost-share was structured so that planting cover crops that are locally best suited for wildlife do not cost the landowner anymore than planting cover crops that are not as good for wildlife (often the lowest cost choice). Appropriate management and maintenance strategies on enrolled lands are also essential to the continuation of soil, water and wildlife benefits throughout the life of the CRP contract.

The key to improving the CRP program is to avoid the one size fits all approach. By providing the flexibility to manage CRP lands according to specific regional needs identified by resource professionals working on the ground with landowners and coordinating their efforts through State Technical Committees, additional conservation benefits can be realized for all resources.

Flexibility in CRP has been enhanced with the **Conservation Reserve Enhancement Program (CREP)**. CREP is a state-federal conservation partnership program that allows for the flexible design of conservation practices and financial incentives that address specific environmental issues. Currently 15 states have CREP agreements that provide \$481 million in non-federal funds to a \$2.26 billion program. The opportunity for states to enter into CREP agreements should be reauthorized in the 2002 Farm Bill, and the process for a state to participate in a CREP should be streamlined.

The Association believes that the **Continuous CRP Sign-up (Buffer Initiative)** has the potential to provide significantly more water quality, erosion control and fish and wildlife benefits if some changes are made. In order to increase the interest and success of this program, action needs to be taken to: 1) increase agency promotion at the state and local level; 2) streamline, simplify and reduce program rules; 3) increase agency staff to address landowner interest and aid in program outreach and education and 4) provide an up-front rental payment structure. We believe these actions would increase participation, boost farm income/cash flow, and provide a concurrent environmental enhancement.

Short-term Soil Restoration Program

A soil restoration program of short duration (3-5 years) can enhance soil and water quality, improve aquatic and terrestrial wildlife habitat, conserve energy and bolster commodity prices. The resource benefits generated by this program can also help producers comply with regulatory standards (i.e., TMDLs). It is imperative that this new program be constructed outside of CRP goals and dollar constraints so as not to imperil the CRP, the nation's greatest soil, water, and fish and wildlife enhancement program. Appropriate cover establishment goals should insure all of these benefits.

Wetland Reserve Program (WRP)

Never before have so many producers voluntarily stepped forward to protect, enhance and preserve the nations wetlands under appropriate public compensation for their efforts. According to the Economic Research Service, agriculture is the single largest source of U.S. wetland restoration. Popularity of the program remains very high with a 5:1 ratio of applications to approved projects. Hundreds of qualified applications submitted across the nation cannot be accepted without expansion of WRP, which will reach the current authorized cap of 1,075,000 acres this year. We believe that it is simply good business to increase the enrollment cap annually by 250,000 acres and appropriate the necessary funds for enrollment. Producers could enroll and thus insure themselves against the increased risk of farming those economically marginal acres, add immediately to their cash flow, and improve fish and wildlife habitat, thereby helping to avert endangered species controversies.

Wildlife Habitat Incentive Program (WHIP)

The originally authorized \$50 million for WHIP was literally snatched up by anxious and willing farmers with little public announcement of the availability of funds. In many cases more than half of the offers were left on the table and thousands of farmers were turned away for a lack of funds. Implementation of WHIP provides enhanced fish and wildlife value, improved recreational opportunities and marketable outdoor experiences. This is a significant program on non-farmed lands and is of signal importance in the northeastern US because of demographics, cropping history, farm size and a host of other variables that render other authorized Farm Bill programs less applicable. This program has resulted in many partnerships between NRCS and non-federal organizations, resulting in tremendous leveraging of non-federal dollars. The Association recommends that \$100 million annually be authorized for WHIP.

Grasslands Reserve

Owners of grasslands are also at risk and deserve income enhancement considerations. Native grassland habitat continues to be in short supply and is likely to decrease if not buffered from competing uses. A substantial suite of grassland dependent birds have suffered precipitous declines but are capable of recovery with conservation and stewardship management of the remaining grasslands. A voluntary, incentive-based program needs to be made available to help small family grassland owners stay on the land, as opposed to their lands being sold for ranchette development or converted to row crop production. The opportunity exists to provide income enhancement and grassland conservation through an easement program similar to WRP that would be applicable to a wide variety of grasslands/rangelands around the country, but would be directed at the most vulnerable habitats based on state or regional priorities.

Forest Legacy and Farmland Protection Programs

The Association's members continue to be concerned about the adverse impacts on fish and wildlife habitat resulting from conversion of farmland and forestland for development. Both the Farmland Protection Program and the Forest Legacy program can help prevent further habitat fragmentation, retain open space and maintain wildlife populations on the landscape close to rapidly expanding urban areas. Both of these programs should continue with adequate funding. The Association recommends at least \$100 million annually for each program.

Forest Stewardship Programs

The Association recognizes the importance of forest stewardship programs and their potential for enhancing fish and wildlife habitat on the 350 million acres of non-industrial private forestlands in the United States. We recommend funding the Forest Stewardship Program and the Stewardship Incentive Program at \$50 million per year for each program. All plans should be reviewed and approved by a wildlife biologist and a forester.

Environmental Quality Incentives Program (EQIP)

EQIP is another very popular program that, according to testimony provided to this Committee by the NRCS two weeks ago, has averaged about 3 to 6 times the number of applications that could be approved with available annual funding. EQIP plays an important role in the conservation of lands in production and can be very useful in helping farmers and ranchers meet current environmental regulations and avoid potential future regulatory requirements (e.g., TMDLs and CAFOs). This program could logically be integrated into any new conservation program specifically designed for lands in production. The Association recommends funding this program at \$300 million annually and allowing funds to roll over into subsequent fiscal years so that project planning and implementation is not interrupted simply because the federal fiscal year has ended. We also recommend that fish and wildlife resources be recognized as co-equal with soil and water resources and fully integrated into program delivery.

Comprehensive Approach to Agriculture Programs

The Association thanks the Subcommittee for considering conservation programs in the context of a comprehensive Farm Bill because we believe that conservation and commodity programs must be designed to work in concert. The soil, water and fish and wildlife benefits achieved through voluntary, incentive-based conservation programs targeted at the most environmentally sensitive lands should not be offset by other programs that provide incentives to put those same types of lands, such as wetlands and remnant native grasslands, into production. A national agriculture policy that provides assistance for producers in the form of crop insurance, loan deficiency payments and emergency payments should also include protection of sensitive lands through reauthorization of swampbuster and sodbuster along with adequate funding for the popular CRP, WRP and the proposed grasslands reserve program. Program coordination will be a key to achieving a comprehensive agricultural policy. This

coordination requires the continuation of land retirement and withdrawals balanced with active conservation measures on lands still in commodity production. It must be remembered that all of these lands are “working” lands that generate different sets of products. The reality is that CRP and WRP are working lands for their production of renewable wildlife populations, development of natural vegetative communities, and for their conservation of soil and water resources.

Producers from all parts of the country should be able to use the soil, water and fish and wildlife benefits generated from the suite of voluntary, incentive-based conservation programs to help meet existing environmental regulations and to avoid or minimize the impacts of potential future regulatory requirements. As mentioned in recent testimony from both the Farm Bureau and the livestock industry, many farmers and livestock producers face, or will likely face, regulations concerning water quality. Many producers are also concerned about the regulatory impacts of the Endangered Species Act. With regard to the ESA, the Association recommends a proactive approach to examine how Farm Bill conservation programs can assist landowners in enhancing habitat for declining species that are not yet listed. Greater management flexibility exists prior to listing and if management actions are effective, listing can be precluded by the use of voluntary, non-regulatory incentives that insure sustainability of the species and their habitat.

The key point is that assistance in addressing regulatory requirements can and does come from programs designed to remove sensitive lands from production as well as programs designed to conserve lands that remain in production. The approaches should be viewed as complementary. The existing programs need adequate funding and any new conservation programs need to be funded over and above base conservation funding.

In conclusion, the Association appreciates your consideration of these recommendations and our member state fish and wildlife agencies stand ready to work with you to address conservation and farm income enhancement as mutually sustainable items on the nation's agriculture policy agenda.